

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2004

	October-04				September-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Fiscal YTD	FY04	Ended	Ended
		Policy		Net ROR		Policy		Net ROR			6/30/2004	6/30/2004
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	1,341,930	5.0%	5.1%	0.11%	1,340,142	5.1%	5.1%	-4.17%	-4.06%	N/A	N/A	N/A
Total Structured Growth	1,341,930	5.0%	5.1%	0.11%	1,340,142	5.1%	5.1%	-4.17%	-4.06%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				1.56%				-5.23%	-3.75%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>												
LSV	1,474,921	5.5%	5.1%	-0.17%	1,477,038	5.6%	5.1%	3.11%	2.94%	29.44%	9.20%	8.31%
Russell 1000 Value				1.66%				1.54%	3.23%	21.13%	2.96%	0.64%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	1,807,965	6.7%	6.9%	0.73%	1,794,619	6.8%	6.9%	-2.24%	-1.53%	18.59%	-0.17%	N/A
Russell 1000				1.61%				-1.81%	-0.23%	19.48%	-0.32%	N/A
<i>Enhanced S&P 500 Index</i>												
Northern Trust	1,838,794	6.9%	6.9%	1.64%	1,808,813	6.8%	6.9%	-2.17%	-0.57%	19.00%	-0.31%	N/A
Strong	0	0.0%	0.0%	N/A	2	0.0%	0.0%	N/A	N/A	21.13%	-0.06%	N/A
Westridge	1,830,409	6.8%	6.9%	1.56%	1,802,020	6.8%	6.9%	-1.94%	-0.41%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	3,669,203	13.7%	13.7%	1.60%	3,610,835	13.6%	13.7%	-2.13%	-0.56%	19.81%	-0.24%	N/A
S&P 500				1.53%				-1.87%	-0.37%	19.11%	-0.69%	N/A
<i>S&P 500 Index</i>												
State Street	932,627	3.5%	3.4%	1.53%	918,576	3.5%	3.4%	-1.87%	-0.37%	19.08%	-0.67%	-2.17%
S&P 500				1.53%				-1.87%	-0.37%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	9,226,646	34.4%	34.3%	0.92%	9,141,209	34.5%	34.3%	-1.59%	-0.68%	20.38%	0.08%	-2.14%
S&P 500				1.53%				-1.87%	-0.37%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	3,004,722	11.2%	10.7%	2.26%	2,937,983	11.1%	10.7%	-3.59%	-1.42%	33.33%	5.76%	N/A
Russell 2000 + 200bp				2.14%				-2.36%	-0.28%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	3,004,722	11.2%	10.7%	2.26%	2,937,983	11.1%	10.7%	-3.59%	-1.42%	33.33%	5.76%	6.81%
Russell 2000				1.97%				-2.86%	-0.94%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	171,793	0.6%	0.6%	3.85%	164,155	0.6%	0.6%	-1.24%	2.57%	27.44%	0.42%	-1.44%
MSCI EAFE - 50% Hedged				2.12%				-0.72%	1.39%	26.98%	-1.27%	-1.15%
<i>Large Cap - Active</i>												
Capital Guardian	406,765	1.5%	1.5%	2.12%	394,919	1.5%	1.5%	-1.48%	0.61%	25.40%	-1.15%	1.54%
Bank of Ireland	84,348	0.3%	0.3%	3.48%	80,680	0.3%	0.3%	-1.07%	2.37%	23.61%	N/A	N/A
Total Large Cap - Active	491,113	1.8%	1.8%	2.35%	475,599	1.8%	1.8%	-1.41%	0.91%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				2.12%				-0.72%	1.39%	26.98%	-1.27%	-1.15%
<i>Small Cap - Active</i>												
Lazard	82,215	0.3%	0.3%	3.46%	86,260	0.3%	0.3%	0.76%	4.24%	44.40%	N/A	N/A
Wellington	82,736	0.3%	0.3%	3.55%	79,128	0.3%	0.3%	-4.63%	-1.25%	42.26%	N/A	N/A
Total Small Cap - Active	164,951	0.6%	0.6%	3.50%	165,387	0.6%	0.6%	-1.92%	1.51%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				3.40%				-0.82%	2.55%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	827,856	3.1%	3.0%	2.89%	805,141	3.0%	3.0%	-1.47%	1.38%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				2.12%				-0.72%	1.39%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY												
Capital Guardian	395,215	1.5%	1.5%	2.79%	384,503	1.4%	1.5%	7.64%	10.65%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				2.40%				8.25%	10.85%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	1,107,778	4.1%	4.0%	0.88%	1,097,944	4.1%	4.0%	3.67%	4.58%	2.02%	8.00%	8.39%
Lehman Aggregate				0.84%				3.20%	4.06%	0.32%	6.35%	6.95%
<i>Active Duration</i>												
WestAM (Criterion)	1,092,990	4.1%	4.0%	0.72%	1,084,866	4.1%	4.0%	2.75%	3.49%	-0.25%	5.14%	6.43%
Lehman Aggregate				0.84%				3.20%	4.06%	0.32%	6.35%	6.95%
<i>Index</i>												
Bank of ND	1,848,928	6.9%	7.8%	0.86%	1,833,146	6.9%	7.8%	3.46%	4.34%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	580,524	2.2%	2.2%	0.42%	578,079	2.2%	2.2%	1.21%	1.64%	5.08%	5.57%	5.70%
Total Index	2,429,452	9.1%	10.0%	0.73%	2,411,225	9.1%	10.0%	3.05%	3.80%	0.23%	6.79%	6.83%
Lehman Gov/Credit				0.87%				3.56%	4.45%	-0.72%	6.73%	7.10%
<i>Convertibles</i>												
TCW	1,079,016	4.0%	4.0%	1.17%	1,066,306	4.0%	4.0%	-3.94%	-2.82%	16.74%	0.51%	3.89%
First Boston Convertible Index				0.39%				-1.05%	-0.67%	14.44%	4.95%	5.78%

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	Allocation		Month		Allocation		Quarter		Fiscal YTD	FY04	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2004	6/30/2004
											Net	Net
BBB Average Quality												
Strong	1,103,580	4.1%	4.0%	1.28%	1,072,442	4.0%	4.0%	4.62%	5.95%	1.29%	6.26%	7.23%
Lehman BBB				1.03%				4.76%	5.84%	1.23%	8.23%	6.60%
Timberland												
RMK	1,276,341	4.8%	4.8%	-0.07%	1,278,970	4.8%	4.8%	3.86%	3.78%	10.46%	N/A	N/A
TIR	2,442,433	9.1%	9.1%	-0.07%	2,442,433	9.2%	9.2%	N/A	N/A	N/A	N/A	N/A
Total Timberland	3,718,774	13.9%	13.9%	-0.07%	3,721,403	14.0%	14.0%	3.86%	3.78%	10.46%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	10,531,590	39.3%	40.0%	0.56%	10,454,186	39.4%	40.0%	2.69%	3.27%	5.08%	6.35%	7.34%
Lehman Aggregate				0.84%				3.20%	4.06%	0.32%	6.35%	6.95%
HIGH YIELD BONDS												
Loomis Sayles	492,966	1.8%	1.8%	2.61%	479,863	1.8%	1.8%	6.23%	9.01%	N/A	N/A	N/A
Lehman High Yield Cash Pay Index				1.79%				4.85%	6.72%	N/A	N/A	N/A
Sutter/Wells Capital	487,747	1.8%	1.8%	1.71%	479,384	1.8%	1.8%	4.20%	5.98%	N/A	N/A	N/A
Merrill Lynch High Yield Master II Index				1.89%				4.63%	6.61%	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	980,713	3.7%	3.5%	2.16%	959,247	3.6%	3.5%	5.21%	7.48%	7.69%	6.68%	2.79%
Lehman High Yield Bond Index				1.81%				4.85%	6.74%	10.33%	9.30%	4.78%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	273,899	1.0%	1.0%	3.59%	262,023	1.0%	1.0%	3.06%	6.76%	7.86%	14.20%	6.47%
Citigroup Non-US Gov't Bond Index (1)				3.53%				3.29%	6.93%	7.59%	13.65%	6.84%
International Core												
Brandywine	274,866	1.0%	1.0%	2.86%	269,751	1.0%	1.0%	4.74%	7.73%	9.65%	N/A	N/A
Lehman Global Aggregate (ex-US)				3.46%				3.49%	7.07%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	548,765	2.0%	2.0%	3.22%	531,774	2.0%	2.0%	3.90%	7.24%	8.78%	14.41%	6.59%
Citigroup Non-US Gov't Bond Index (1)				3.53%				3.29%	6.93%	7.59%	13.65%	6.84%
REAL ESTATE												
J.P. Morgan	822,383	3.1%	3.0%	0.12%	821,399	3.1%	3.0%	3.83%	3.96%	11.11%	7.63%	9.54%
NCREIF TOTAL INDEX				1.13%				3.42%	4.59%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS												
Coral Partners V	19,097			0.00%	21,867			6.37%	6.37%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	2,255			0.00%	2,601			2.37%	2.37%	30.44%	N/A	N/A
Coral Partners VI	12,485			0.00%	14,142			-0.28%	-0.28%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	5,726			0.00%	6,256			3.37%	3.37%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	8,537			0.00%	9,326			0.48%	0.48%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	15,812			0.00%	17,274			3.01%	3.01%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	7,144			0.00%	7,805			0.81%	0.81%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	4,022			0.00%	4,394			-4.97%	-4.97%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	877			0.00%	588			-2.71%	-2.71%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	4,933			0.00%	5,389			5.73%	5.73%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	6,015			0.00%	6,571			3.24%	3.24%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	3,674			0.00%	4,014			0.86%	0.86%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	5,993			0.00%	6,548			0.27%	0.27%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	1,295			0.00%	1,415			-0.12%	-0.12%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	251			0.00%	274			0.09%	0.09%	N/A	N/A	N/A
Brinson BVCF IV	29,034			0.00%	30,881			6.66%	6.66%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	27,704			0.00%	30,266			-3.26%	-3.26%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	16,737			0.00%	-			N/A	N/A	N/A	N/A	N/A
InvestAmerica	6,368			0.00%	6,956			17.28%	17.28%	-7.73%	N/A	N/A
Hearthstone MSII	1,921			0.00%	793			106.69%	106.69%	28.64%	20.32%	N/A
Hearthstone MSIII	33,312			0.00%	35,941			-0.08%	-0.08%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	213,193	0.8%	1.0%	0.00%	213,300	0.8%	1.0%	2.92%	2.92%	3.07%	-12.87%	-3.91%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	275,594	1.0%	1.0%	0.13%	274,533	1.0%	1.0%	0.44%	0.57%	1.44%	1.86%	3.48%
90 Day T-Bill				0.12%				0.37%	0.49%	0.98%	1.71%	3.29%
TOTAL FUND	26,826,677	100.0%	100.0%	1.06%	26,523,275	100.0%	100.0%	0.55%	1.62%	14.85%	4.50%	3.86%
POLICY TARGET BENCHMARK				1.34%				0.82%	2.17%	12.08%	4.47%	3.75%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(2) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.